

**From:** Clerico, Brian@ARB [Brian.Clerico@arb.ca.gov]  
**Sent:** 10/11/2019 1:24:23 AM  
**To:** Yannayon, Laura [Yannayon.Laura@epa.gov]  
**Subject:** RE: Quick question

**Flag:** Follow up

Laura --

Would this be the section you are referring to? I will be working offsite tomorrow but I can check email in the morning and at the end of the day. (I see some repealed sections in the HSC -- but my copies of it don't show what the content of those repealed sections was. But I know I can get a copy that does, but they may be downtown.)

## HEALTH AND SAFETY CODE - HSC

### 42314.

(a) Notwithstanding any other provision of any district permit system, and except as provided in this section, no district shall require emissions offsets for any **cogeneration** technology project or resource recovery project that satisfies all of the following requirements:

(1) The project satisfies one of the following size criteria:

(A) The project produces 50 megawatts or less of electricity. In the case of a combined cycle project, the electrical capacity of the steam turbine may be excluded from the total electrical capacity of the project for purposes of this paragraph if no supplemental firing is used for the steam portion and the combustion turbine has a minimum efficiency of 25 percent.

(B) The project processes municipal wastes and produces more than 50 megawatts, but less than 80 megawatts, of electricity.

(2) The project will use the appropriate degree of pollution control technology (BACT or LAER) as defined and to the extent required by the district permit system.

(3) Existing permits for any item of equipment to be replaced by the project, whether the equipment is owned by the applicant or a thermal beneficiary of the project, are surrendered to the district or modified to prohibit operation simultaneously with the project to the extent necessary to satisfy district offset requirements. The emissions reductions associated with the shutdown of existing equipment shall be credited to the project as emissions offsets in accordance with district rules.

(4) The applicant has provided offsets to the extent they are reasonably available from facilities it owns or operates in the air basin and that mitigate the remaining impacts of the project.

(5) For new projects that burn municipal waste, landfill gas, or digester gas, the applicant has, in the judgment of the district, made a good faith effort to secure all reasonably available emissions offsets to mitigate the remaining impact of the project, and has secured all reasonably available offsets.

(b) This section applies to any project for which an application for an authority to construct is deemed complete by the district after January 1, 1986, only if the project's net emissions, combined with the net emissions from projects previously permitted under this section, are less than the amount provided for in the applicable growth allowance established by the district pursuant to Section 41600. If a district has not yet provided a growth allowance pursuant to Section 41600, the growth allowance is zero. For purposes of this subdivision, "net emissions" means the project's emissions, less any offsets provided by the applicant and less utility displacement credits granted pursuant to Section 41605.

(c) This section does not relieve a project from satisfying all applicable requirements of Part C (Prevention of Significant Deterioration) of the Clean Air Act, as amended in 1977 (42 U.S.C. Sec. 7401 et seq.), or any rules or regulations adopted pursuant to Part C.

*(Amended by Stats. 2000, Ch. 890, Sec. 41. Effective January 1, 2001.)*

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**From:** Yannayon, Laura <Yannayon.Laura@epa.gov>  
**Sent:** Thursday, October 10, 2019 4:06 PM  
**To:** Clerico, Brian@ARB <Brian.Clerico@arb.ca.gov>  
**Subject:** RE: Quick question

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Actually I simply forgot to paste it in. Does state law still exempt Congeneration and Resource Recovery sources from Federal regulations?

Because State law exempts Congeneration and Resource Recovery sources from Federal regulations, EPA proposes to retain permitting authority for such sources which are major under EPA's regulations and would cause increment violations. 40 CFR 48 FR 55879

Doing some research on whether certain SIP submittals can be withdrawn.

Thanks!

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**From:** Clerico, Brian@ARB <Brian.Clerico@arb.ca.gov>  
**Sent:** Thursday, October 10, 2019 3:49 PM  
**To:** Yannayon, Laura <Yannayon.Laura@epa.gov>  
**Subject:** RE: Quick question

Laura -- I think the attachment or link in your email may have gotten blocked by our firewall. Can you resend?

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**From:** Yannayon, Laura <Yannayon.Laura@epa.gov>  
**Sent:** Thursday, October 10, 2019 2:34 PM  
**To:** Clerico, Brian@ARB <Brian.Clerico@arb.ca.gov>  
**Subject:** Quick question

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Hi Brian,  
I found this statement in a 1982 FR notice. I am hoping you can confirm if this fact is still true in state law?

Thanks!

Laura